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MTMC reorganization will boost customer satisfaction

DALLAS – The reorganization of the Military Traffic Management Command will create a more efficient and effective organization – requiring reduced staffing.

Restructuring will provide an increased organization focus on customers, said Maj. Gen. Kenneth L. Privratsky, Commander.

Privratsky made the remarks in the keynote speech of the annual 2001 MTMC Training Symposium, April 10, at the Wyndham Anatole Hotel, in Dallas,

"We are reducing organizational layers, streamlining functions, using best business practices and effectively leveraging information technology," Privratsky told a record symposium audience of 1,600 military, government and civilian transporters.

By the end of 2001, MTMC will be 15 percent smaller than two years ago. That strength will be cut a further 10 percent by mid-2003.

"When you hear me say I am proud of MTMC's employees it's because they are adjusting to this as they work hard to improve services and partnerships with many of you here today."

The most recent changes, said Privratsky, involve changes to the command's operations structure.

"We have two large operations staff less than 200 miles apart. We can no longer work that way – instead of headquarters structures in both Alexandria, Va., and Fort Eustis, Va., the command has plans to reorganize toward a single organization."

In the future, he said, a single headquarters will have control over the command's 24 water ports – approximately 2,000 employees. The changes will be phased in slowly with full completion expected by mid-2003.

"It's a big change and it's all aimed at improving our effectiveness in supporting customers."

Privratsky touted a number of recent MTMC initiatives including: the Strategic Management Distribution Initiative, PowerTrack automated payments, and a Third-Party Logistics Pilot.

• The Strategic Management Distribution Initiative is speeding defense cargoes from the United States to Europe.

"It's a real partnership with the Defense Logistics Agency and U.S. Transportation Command," said Privratsky.

Formerly, defense shipments took over 50 days to get to Europe. Shipments are now moving the same route in approximately 40 days.

"I want to share with you that we are getting some shipments from Pennsylvania to Germany in 28 days," said Privratsky. "Our goal is 30 days for all of them. We will make it."

The faster shipments are possible because of reduced container wait time at East Coast ports. A year ago the wait time was two weeks – it is now one week.

"The key to such efforts is the synchronization of the work of our depots and the defense freight shipments of the Military Traffic Management Command."

• The use of PowerTrack automated payments for freight shipments has brought immediate results, he said.

"Some 385 carriers are now being paid on-line by the software system PowerTrack," said Privratsky. PowerTrack is paying over 97 percent of our motor freight.

In the past 15 months, the USBank software system has paid \$589 million in freight charges – 85 percent have been made in three days.

"Most of you know the history here," said Privratsky. "Compare this to the good old days when it took 30-to 90 days to be paid via the manual payment processes.

• Another big initiative is a MTMC Third-Party Logistics Pilot in Florida, Georgia and Alabama.

The one-year test will move an estimated 50,000 freight shipments from military installations in the three states.

"We awarded the contract last month," said Privratsky. "It starts of July 1 of this year."